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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11
	:	
MOTORS LIQUIDATION COMPANY, <i>et al.</i> ,	:	Case No. 09-50026 (REG)
f/k/a General Motors Corp., <i>et al.</i>	:	
Debtors.	:	(Jointly Administered)
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**OBJECTION OF AVL AMERICAS, INC. TO SECOND NOTICE OF (I) DEBTORS'
INTENT TO ASSUME AND ASSIGN CERTAIN EXECUTORY CONTRACTS,
UNEXPIRED LEASES OF PERSONAL PROPERTY,
AND UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY
AND (II) CURE AMOUNTS RELATED THERETO**

AVL Americas, Inc., formerly known as AVL Michigan Holding Corporation (hereinafter "AVL Americas"), a creditor and interested party, objects, on a limited basis, to the Second Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts and Unexpired Leases and (II) Cure Amounts Related Thereto (the "Second Assumption Notice") served upon AVL Americas by the above captioned debtors and debtors-in-possession (collectively, the "Debtors") pursuant to the Court's Bidding Procedures Order (Docket No. 274). In support of the objection, AVL Americas states:

1. The Debtors purportedly mailed an initial assumption notice to AVL Americas on June 5, 2009 under the name "AVL Michigan Holding Corp" (the "June 5th Assumption Notice"). AVL Americas did not receive the June 5th Assumption Notice until June 17, 2009.

2. On June 17, 2009, AVL Americas filed an objection to the June 5th Assumption Notice with this Court based on an incorrect Cure Amount¹ (Docket # 1735).

3. Related entities, AVL Instrumentation & Test Systems, Inc. and AVL Powertrain Engineering, Inc. have also both received assumption notices and filed cure objections related thereto. See Docket Nos. 856, 1738, and 2536.

4. The Debtors' Second Assumption Notice, purportedly mailed June 15, 2009, was not received by AVL Americas until July 10, 2009.

5. Because AVL Americas did not receive the Assumption Notice until more than two weeks after objections were due, and filed its objection as promptly as possible under the circumstances, AVL Americas asks that this Court consider the objection timely filed.

6. The Debtors are parties to executory contracts with AVL Americas.

7. The Debtors have proposed assuming and assigning certain of AVL Americas' executory contracts (the "Designated Contracts"). The number and/or amount owed on these Designated Contracts was altered and revised in the Second Assumption Notice.

8. Given the multiple notices and cross referencing of contracts between various affiliated entities, AVL Americas has had some difficulty in determining which of AVL Americas' contracts have been noticed for assumption and assignment by the Debtors.

9. AVL Americas does not oppose the Debtors' assumption and assignment of AVL Americas' contracts *per se*. AVL Americas files this objection to the Second Assumption Notice as a precautionary measure in order to preserve its rights to receive payment of the full Cure Amount owed as a condition of any assumption and assignment.

10. AVL Americas objects, on a limited basis, to the Second Assumption Notice to the extent that the Cure Amount and invoice listing identified by the Debtors is still inaccurate.

¹ Capitalized terms not defined herein shall have the meaning assigned to them in the Second Assumption Notice.

AVL Americas is owed a substantial sum for pre-petition goods and/or services provided to the Debtors. Invoices under the Designated Contracts and the full Cure Amount owed on these Designated Contracts are still not fully reflected in the Second Assumption Notice.

11. Some of the remaining Cure Amount discrepancy is attributable to the Debtors' policy of withholding 10% of the value of the contract for subsequent claims against AVL Americas. AVL Americas also objects to the extent that the Second Assumption Notice would allow payment of less than 100% of pre-petition and post-petition obligations owed by Debtors to AVL Americas, as is required by § 365 of the Bankruptcy Code. *In re Burger Boys*, 94 F.3d 755, 763 (2nd Cir. 1996).

12. AVL Americas reserves any and all rights arising from or associated with the Designated Contracts.

13. AVL Americas reserves the right to amend this objection to include additional facts or arguments as may be determined by further investigation and also to raise such other and further objections to any proposed assumption and assignment or Cure Amounts with respect to AVL Americas' Designated Contracts.

14. AVL Americas has been in contact with representatives of the Debtors in order to resolve their differences with respect to the Designated Contracts and Cure Amounts owed. AVL Americas is working toward an amicable resolution of the dispute without judicial intervention and is hopeful that agreement can be reached between the parties in the coming days.

WHEREFORE, AVL Americas respectfully requests that the Court enter an order (a) conditioning any assumption and assignment of the Designated Contracts on full payment of all outstanding amounts due to AVL Americas, (b) reserving AVL Americas' rights in connection with any Designated Contracts or Cure Amounts listed and (c) providing AVL Americas with such other and further relief as is appropriate.

Respectfully submitted,

KERR, RUSSELL AND WEBER, PLC

By: /s/ P. Warren Hunt

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Dated: July 13, 2009

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11
:
MOTORS LIQUIDATION COMPANY, *et al.*, : Case No. 09-50026 (REG)
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Debtors. : (Jointly Administered)
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CERTIFICATE OF SERVICE

I hereby certify that on July 13, 2009, I electronically filed the foregoing Objection to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts and Unexpired Leases and (II) Cure Amounts Related Thereto, and this Certificate of Service with the Clerk of the Court using the ECF system which will send notification of such filing to all ECF participants. A copy of this document was also served on the following parties on July 13, 2009 via Federal Express mail:

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Dated: July 13, 2009